

Commonwealth of Kentucky
Division for Air Quality
PERMIT STATEMENT OF BASIS

DRAFT

Title V/Synthetic Minor, Operating

Permit: V-07-025

Barton Brands, Ltd.

Bardstown, KY 40004

May 4, 2007

Lisa Beckham, Reviewer

SOURCE ID: 21-179-00020

SOURCE A.I. #: 3247

ACTIVITY ID: APE20060001

SOURCE DESCRIPTION:

On October 19, 2004 Barton Brands, Ltd submitted an application for the renewal of their Title V permit, V-00-001. Supplemental information was received on February 26, 2006 and April 30, 2007, respectively. Barton Brands operates a distillery in Nelson County, Kentucky, where whiskey and bourbon are produced from grains through fermentation and distillation. Grain that has been milled is fed into mash cookers along with water where the grain starches are converted to sugars by heating. The cooked grain/water mixture is fed into fermenter vessels as a batch operation to convert the sugars to ethanol. After an appropriate residence time, the mixture is processed through distillation columns and condensers to separate the ethanol from the mixture. The condensed liquid is eventually put into barrels to be aged. After the appropriate age is reached the bourbon or whiskey is dumped from the barrels, processed and bottled for shipping.

The facility has proposed a 15,000 tons per year limit on coal usage to preclude the applicability of 40 CFR 63 Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants (NESHAPs) for Institutional, Commercial, and Industrial Boilers and Process Heaters, compliance date is September 13, 2007, due to emissions of hydrogen chloride. The Division concurs that Barton Brands may use the emission factors from most current AP-42 for the hydrogen chloride emissions until new information is gathered from the compliance test that shall be performed within six months from issue of the final permit. Emission factors derived from compliance testing are to replace the emission factor currently listed in the permit, and shall be used to calculate future emissions. Additionally, source emission of hazardous air pollutants (HAPs) shall be limited to 9.0 tons per year of a single HAP and 22.5 tons per year for the total HAPs. Several emissions factors were updated for the Emissions Inventory System, which warranted reclassification of the convey elevator (previously part of Emission Unit 01) and the rotary dryers (previously part of Emission Unit 04) to be considered as insignificant activities. Ash and lime silos were added to the list of insignificant activities as well. No other changes have been made to the facility since the issuance of the last permit.

Applicable Regulations:

401 KAR 63:010, Fugitive emissions, applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division for Air Quality, applies to EU 01

401 KAR 61:020, Existing process operations, applicable to an emission unit that commenced prior to July 2, 1975, applies to EU 02 and EU 04

401 KAR 59:015, New indirect heat exchangers for affected facilities with a heat input capacity of 250 MMBtu/hr or less and commenced on or after April 9, 1975, applies to EU 07 and 08

401 KAR 60:005, incorporating by reference 40 CFR 60, Subpart Dc, Standards of performance for small industrial-commercial-institutional steam generating units, applies to each steam generating unit commenced after June 9, 1989 that has a maximum design heat input capacity between 10 MMBtu/hr and 100MMBtu/hr, applies to EU 07 and EU 08

401 KAR 61:015, Existing indirect heat exchangers, applicable to an emissions unit with a capacity of less than 250 MMBtu/hr which commenced before April 9, 1972, applies to EU 09

40 CFR Part 64, Compliance Assurance Monitoring (CAM), applies to EU 09

Non-Applicable Regulations:

401 KAR 51:017, Prevention of Significant Deterioration of Air Quality. Permittee has elected to accept voluntary federally enforceable operating and emission limitations to preclude applicability of these standards.

40 CFR 63, Subpart DDDDD, NESHAPs for Institutional, Commercial, and Industrial Boilers and Process Heaters; applicability date of September 13, 2007. Permittee has elected to accept voluntary federally enforceable operating and emission limitations to preclude applicability of these standards.

Emission and Operating Caps Description:

To preclude the applicability of 401 KAR 51:017, Prevention of significant deterioration, source-wide sulfur dioxide emissions shall not exceed 225 tons per year based on a twelve (12) month rolling total.

To preclude 40 CFR 63, Subpart DDDDD, NESHAPs for Institutional, Commercial, and Industrial Boilers and Process Heaters, beginning September 13, 2007, source-wide emissions of a single hazardous air pollutant (HAP), shall not exceed 9.0 tons in any consecutive twelve-month period and source-wide emissions of total HAPs shall not exceed 22.5 tons in any consecutive twelve-month period. Also source-wide consumption of coal shall not exceed 15,000 tons per year on a twelve-month rolling total.

Comments:

Emission Unit 01 (01001-01002)

Grain Handling Operations

Grain is delivered by truck and unloaded onto grates into underground hoppers. Grain is then conveyed via screw conveyor and enclosed bucket elevator to the grain cleaner. This unit can process about 40 tons/hr and is a source of fugitive emissions. Reasonable precautions shall be taken to prevent particulate matter from becoming airborne from this unit.

Pursuant to 401 KAR 63:010, Section 3, discharge of fugitive dust emissions beyond the property line is prohibited

Emission Unit 02 (01003) Grain Cleaning and Emission Unit 04 (03003) Cyclone Separator

Emission Unit 02:

Grain that is received is sent to the grain cleaner (01003), a shaker screen, which separates the grain before it is fed to the hammermill. A cyclone is used to control PM emissions from this unit. This unit can process about 40 tons/hr.

Emission Unit 04:

Three steam rotary dryers are used to dry spent stillage, which becomes known as distillers dried grain (DDG). The DDG is then fed to a cyclone separator (03003), which operates at 2.5 tons/hr, before being stored in the DDG silo.

Pursuant to 401 KAR 61:020, Section 3(2)(a), particulate emissions from each unit into the open air shall not exceed $[4.10(P)^{0.67}]$ pounds per hour based on a three-hour average where P is the monthly average processing rate in tons per hour. If the process rate weight is 1,000 lbs/hr or less than the limit on particulate matter emissions is 2.58 lbs/hr.

Pursuant to 401 KAR 61:020, Section 3(1)(a), visible emission from each unit shall not equal or exceed forty (40) percent opacity based on a six-minute average.

Pursuant to 401 KAR 52:020, Section 26, the permittee shall perform a qualitative visible observation of the opacity of emissions from each stack on a weekly basis and maintain a log of the observation. If visible emission from a stack are seen, then the opacity shall be determined using EPA Reference Method 9 and an inspection shall be initiated for any necessary repairs.

Emission Unit 07 and 08 (10001, 10003)

Indirect Heat Exchangers

Two 40.4 MMBtu/hr boilers were installed in 1993. They are fired by natural gas with #2 fuel oil as a backup fuel source. There are no control devices on these units.

Pursuant to 40 CFR 60.42c, the sulfur content of No. 2 fuel oil shall not exceed 0.5 percent by weight.

Pursuant to 401 KAR 59:015, Section 4(1)(c), particulate emissions from each unit's stack shall not exceed 0.28 lb/MMBtu based on a three-hour-average.

Pursuant to 40 CFR 60.43c (c), no operator or owner shall cause to be discharged into the atmosphere from that facility any gases that shall exhibit greater than twenty (20) percent opacity (6-minute average), except for one 6-minute period per hour of not more than twenty-seven (27) percent opacity.

Pursuant to 401 KAR 59:015, Section 4(2)(c), emissions shall not exceed twenty (20) percent opacity based on a six-minute average except during building a new fire for the period required to bring the boiler up to operating conditions provided the method used is that recommended by the manufacturer and the time does not exceed the manufacturer's recommendations.

Pursuant to 40 CFR 60.42c, sulfur dioxide emissions from each unit's stack shall not exceed 0.50 lb/MMBtu or, as an alternative, the permittee shall not combust oil that contains greater than 0.5 weight percent sulfur.

Emission Unit 09 (10002)

Indirect Heat Exchanger

This is a 99.5 MMBtu/hr Vogt Spreader-stoker bituminous coal fired boiler with flyash reinjection and was installed in 1961. Currently particulate emissions are controlled by a multicyclone (control efficiency of 94%). A baghouse is also being installed on this unit to help control hydrogen chloride emissions. Since pre-control particulate emissions exceed 100 tons per year a CAM plan is required.

To preclude the applicability of 40 CFR 63, Subpart DDDDD, beginning September 13, 2007 source-wide usage rate of coal from all affected facilities shall not exceed 15,000 tons per year (12 month rolling total).

Pursuant to 401 KAR 61:015, Section 4(1), particulate emissions shall not exceed 0.36 lb/MMBtu based on a three-hour average.

Pursuant to 401 KAR 61:015, Section 4(2)(b), visible emissions shall not exceed twenty (40) percent opacity based on a six-minute average except that a maximum of forty (40) percent opacity shall be permissible for not more than six (6) consecutive minutes in any sixty (60) consecutive minutes during cleaning the fire box or blowing soot.

Pursuant to 401 KAR 61:015, Section 4(2)(c), emissions shall not exceed twenty (40) percent opacity based on a six-minute average except during building a new fire for the period required to bring the boiler up to operating conditions provided the method used is that recommended by the manufacturer and the time does not exceed the manufacturer's recommendations.

Pursuant to 401 KAR 61:015, Section 5(1), sulfur dioxide emissions shall not exceed 1.4 lb/MMBtu based on a twenty-four hour average.

The following emission units only emit fugitive VOC emissions and do not have any applicable regulations:

Emission Unit 03 (02001 and 03001)

Fermentation Process

Grain from scale bins is fed into mash cookers along with water where the grain starches are converted to sugars by a heating process known as "mashing". The cooked grain/water mixture is fed into fermenter vessels (02001) as a batch operation to convert the sugars to ethanol. The mixture

is then distilled and the remaining grain/water is known as “spent stillage”. The remaining alcohol in the spent stillage is emitted at fugitive VOC from the spent stillage tanks (03001). The fermentation vessels can process 6.75 tons/hr and the stillage vessels can process 11 tons/hr.

Emission Unit 05 (04001, 05001, 06001)

Barrel Filling, Aging and Dumping

Condensed liquid from the fermentation process is put into barrels, aged and then the resulting whiskey or bourbon is dumped from the barrels to be processed and bottled. The barrel filling stations can process about 1,314,000 barrels per year, the aging warehouse has a capacity of 548,976 barrels per year and dumping the barrels into storage tanks has a capacity of 1,953,480 barrels per year.

Emission Unit 06 (07001, 08001-08006, 09001)

Storage Tanks and Bottling Operation

After the whiskey or bourbon is dumped from the barrels it is stored in 41 storage tanks with a capacity of 1,143,323 gallons per year. When the whiskey or bourbon is ready to be shipped it is bottled at six bottle-filling lines at up to 15,238 gallons per year. This unit also includes VOC emissions from leaks at about 300 valves, 40 seal pumps, and 500 fittings.

Emission Unit 10 (12001)

Wastewater Treatment Process

The wastewater treatment system for the facility processes 3,800 gallons/hr.

EMISSION AND OPERATING CAPS DESCRIPTION:

To preclude the applicability of 401 KAR 51:017, Prevention of significant deterioration, source-wide sulfur dioxide and volatile organic compounds emissions shall not exceed 225 tons per year based on a twelve (12) month rolling total.

To preclude the applicability of 40 CFR 63, Subpart DDDDD, NESHAPs for Institutional, Commercial, and Industrial Boilers and Process Heaters, beginning September 13, 2007, source-wide emissions of a single hazardous air pollutant (HAP), shall not exceed 9.0 tons and total or combined HAPs shall not exceed 22.5 tons in any consecutive twelve-month period. Also source-wide consumption of coal shall not exceed 15,000 tons per year on a twelve-month rolling total.

PERIODIC MONITORING:

None

OPERATIONAL FLEXIBILITY:

None

CREDIBLE EVIDENCE:

This permit contains provisions which require that specific test methods, monitoring or recordkeeping be used as a demonstration of compliance with permit limits. On February 24, 1997, the U.S. EPA promulgated revisions to the following federal regulations: 40 CFR Part 51, Sec. 51.212; 40 CFR Part 52, Sec. 52.12; 40 CFR Part 52, Sec. 52.30; 40 CFR Part 60, Sec. 60.11 and 40 CFR Part 61, Sec. 61.12, that allow the use of credible evidence to establish compliance with applicable requirements. At the issuance of this permit, Kentucky has only adopted the provisions of 40 CFR Part 60, Sec. 60.11 and 40 CFR Part 61, Sec. 61.12 into its air quality regulations.